

~~CONFIDENTIAL~~

MEMORANDUM

21 January 1947

TO : Executive for Personnel and
Administration, CIG

THRU : ADSO

FROM : Chief, Special Funds

Reference is made to cable Washington 2689 regarding the activation of CIG on 20 October 1946. Paragraph 7 of said cable stated that employees with permanent status would retain all Civil Service rights, including retirement privileges and further stating that deductions for retirement would be made by Special Funds.

Concurrently the Special Funds Section was informed by the Personnel Division, CIG, that all employees paid out of Special Funds, regardless of Civil Service status, would be eligible for the Civil Service retirement privileges. Since that date therefore, the Special Funds Section has continued to make retirement deductions from the salaries of all employees transferred from vouchered funds to Special Funds payrolls. In addition, a few employees for whom retirement was not previously deducted requested that such deductions be made and this was done.

Special Funds has now deducted and is holding in a suspense account, approximately \$6,700 representing retirement contributions deducted from the salaries of some [REDACTED] individuals. To date we have not been advised of the procedure to be followed in handling these retirement deductions, nor have we obtained authorization to pay them into the retirement fund. The problem has now become acute in that some individuals have now requested Special Funds to refund the amount deducted.

25X9A2

In view of the fact that there are Civil Service regulations regarding retirement funds, particularly in connection with service charges and the problem of refunds where the individual concerned has five or more years of service, it appears that the procedures which are to be followed should be clarified as soon as possible. It is requested that the problem be taken under consideration and Special Funds be advised as to its future course of action.

[REDACTED]
Chief, Special Funds

25X1A9a

~~CONFIDENTIAL~~